

# MACEDONIA LOCAL GOVERNMENT ACTIVITY (MLGA)

Municipal Construction Land Management Capacity  
Assessment (September – October 2009) - Report



NOVEMBER 2009

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## **DISCLAIMER**

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



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# 1.0 INTRODUCTION

In June 2009, Macedonia Local Government Activity (MLGA) funded by USAID and implemented by ARD Inc. became an active partner to both the Ministry of Transport and Communications (MOTC) and ZELS (Association of the Units of Local Self-Government) in the efforts to solve one of the burning issues that local governments have pointed out as impeding to more efficient economic development – construction land. Namely, MLGA facilitated a working group of central and local government representatives to develop a Strategy for decentralization of construction land management.. This is the first time central and local governments have agreed on a single proposal to facilitate the decentralization of public land management to promote local economic development.

One of the main reasons against decentralizing this function to local level was lack of local governments' capacity to perform this function successfully. For the reason of collecting more accurate data rather than relying solely on anecdotal information, MLGA developed an indicator with a set of relevant benchmarks related both to human resources and technical aspects necessary for effective construction land management by municipalities.

The Strategy suggests a phased approach to the decentralization of this authority. MLGA hopes that this analysis will help the discussions and the design of the process of transfer of this important authority to the municipalities.

The data was collected through direct interviews with municipal staff along with the MLGA Municipal Capacity Index (MCI)<sup>1</sup> data in the period from 14 September to 16 October 2009. All 84 municipalities and the City of Skopje were assessed.

The municipalities were assessed in terms of the following indicator: **the municipality has human resources and relevant urban planning documentation in place to implement the urban planning authority and manage construction land successfully**. The indicator itself is tied to the following 16<sup>2</sup> benchmarks that were defined to easier assess the municipal capacity in the area of construction land management:

1. The municipality has appointed staff to perform functions related to urban planning and construction land management (architect, geodetic officer, civil engineer, and similar).
2. The municipality has established a separate unit for spatial and urban planning.
3. The municipality has defined procedures related to issuing relevant documents in the area of urban planning.
4. The municipality has made available to the public (web site, CIC or similar) procedures related to issuing relevant documents in the area of urban planning.
5. The municipality has a relevant GUP or urban planning documentation in place.

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<sup>1</sup> MLGA developed a separate report on this second MLGA MCI assessment.

<sup>2</sup> Each benchmark that was detected in the assessed municipality was given 1 point. MLGA is aware that these diverse aspects are not equal in value and importance and not all of them depend solely on the municipal capacity. Some of them (e.g. DUPs digitalization, creation of GIS databases, updating cadastre plans and similar) are currently costly and not many municipalities can afford them.

6. The municipality has up to 30% of coverage of the municipal territory with urban planning documentation.
7. The municipality has up to 60% of coverage of the municipal territory with urban planning documentation.
8. The municipality has above 60% of coverage of the municipal territory with urban planning documentation.
9. The municipality provides at least a portion of its urban planning documentation for digitization.
10. The municipality creates zoning and land use database.
11. The municipality has updated cadastre plans.
12. The municipality creates a core GIS database.
13. The municipality creates GIS database related to zoning and land use.
14. The municipality organizes public hearing for getting citizen input on new zoning and land use plans.
15. The municipality launches contemporary zoning and land use plans on Internet.
16. The municipality has done an inventory of state owned construction land.

The total value, i.e. the maximum points a municipality can get according to this methodology assessment is 16 points.

This report represents an analysis and interpretation of the quantitative data along with the qualitative data. It provides an overview of key findings both general observations and specific assessment findings but also comparisons between rural, urban and Skopje municipalities<sup>3</sup>. There are 41 rural municipalities, 33 urban and 10 municipalities in the City of Skopje.

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<sup>3</sup> The Law on Territorial Organization of RM (Official Gazette of RM, No. 55/2004, 16/08/2004, Article 10)

## 2.0 KEY FINDINGS

### 2.1 GENERAL OBSERVATIONS

The total municipal scores range from **0** in Plasnica to **14 points** in Kochani (please see *Table 1* below). The national average score is **7.36 points**. Thirty-six (36) municipalities scored above the national average whereas the rest (49) scored below it. Generally speaking, most of the municipalities meet at least the necessary minimum requirements, both in terms of human resources as well as technical conditions necessary for managing construction land.

No.	Municipality	Population	Total
1	Kochani	38,092	14
2	Chair	64,823	13
3	Prilep	76,768	13
4	Strumica	54,676	13
5	Ilinden	15,894	12
6	City of Skopje	506,926	12
7	Veles	55,108	12
8	Bosilovo	14,260	11
9	Novo Selo	11,567	11
10	Centar	45,362	11
11	Karposh	59,666	11
12	Makedonski Brod	7,141	11
13	Struga	63,376	11
14	Aerodrom	72,009	10
15	Gazi Baba	72,617	10
16	Gjorche Petrov	41,634	10
17	Berovo	13,941	10
18	Gostivar	81,042	10
19	Negotino	19,212	10
20	Ohrid	55,749	10
21	Probishtip	16,193	10

No.	Municipality	Population	Total
22	Tetovo	86,580	10
23	Karbinci	4,012	9
24	Zrnovci	3,264	9
25	Kisela Voda	57,236	9
26	Bitola	95,385	9
27	Kumanovo	105,484	9
28	Radovish	28,244	9
29	Shtip	47,796	9
30	Dojran	3,426	8
31	Petrovec	8,255	8
32	Zajas	11,605	8
33	Delchevo	17,505	8
34	Demir Hisar	9,497	8
35	Gevgelija	22,988	8
36	Kavadarci	38,741	8
37	Bogovinje	28,997	7
38	Tearce	22,454	7
39	Vevchani	2,433	7
40	Zelenikovo	4,077	7
41	Zhelino	24,390	7
42	Saraj	35,408	7



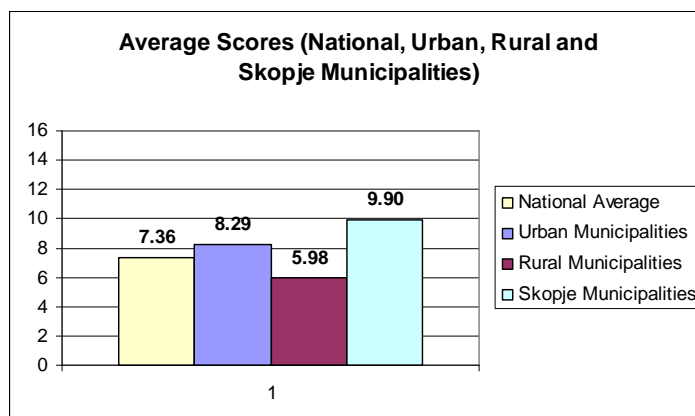
No.	Municipality	Population	Total
43	Krushevo	9,684	7
44	Sveti Nikole	18,497	7
45	Valandovo	11,890	7
46	Chashka	7,673	6
47	Cheshinovo-Obleshevo	7,490	6
48	Debarca	5,507	6
49	Dolneni	13,568	6
50	Jegunovce	10,790	6
51	Krivogashtani	6,150	6
52	Lozovo	2,858	6
53	Novaci	3,549	6
54	Oslomej	10,420	6
55	Sopishte	5,656	6
56	Vasilevo	12,122	6
57	Vrapchishte	25,399	6
58	Butel	37,371	6
59	Debar	19,542	6
60	Kriva Palanka	20,820	6
61	Makedonska Kamenica	8,110	6
62	Resen	16,825	6
63	Pehchevo	5,517	6
64	Chucher Sandevo	8,493	5
65	Centar Zhupa	6,519	5

No.	Municipality	Population	Total
66	Gradsko	3,760	5
67	Mogila	6,710	5
68	Rosoman	4,141	5
69	Rankovce	4,144	5
70	Bogdanci	8,707	5
71	Demir Kapija	4,545	5
72	Kichevo	30,138	5
73	Kratovo	10,441	5
74	Vinica	19,938	5
75	Brvenica	15,855	4
76	Drugovo	3,249	4
77	Konche	3,536	4
78	Lipkovo	27,058	4
79	Mavrovo & Rostushe	8,618	4
80	Staro Nagorichane	4,840	4
81	Vraneshtica	1,322	4
82	Shuto Orizari	20,800	4
83	Studenichani	17,246	3
84	Arachinovo	11,597	1
85	Plasnica	4,545	0

**Table 1: Municipal Construction Land Capacity – Total Points** (♦ Rural Municipalities, ♦ Urban and Skopje Municipalities)

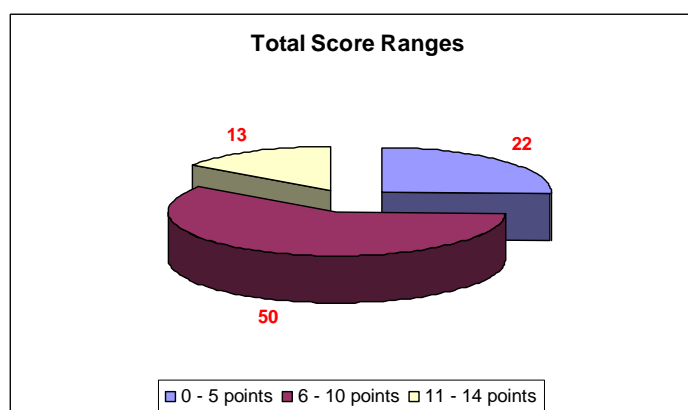
The top 10 municipalities are mainly bigger municipalities with bigger administrations. The majority of these municipalities also received USAID Decentralization Project (2004-2007) assistance in the area of urban planning and permitting both in terms of putting systems in place and improving their capacity for more efficient performance of these functions.

General observation is that this function is mainly demand-driven so that the bigger demand the better municipal capacity for urban planning and construction land management. Expectedly, urban municipalities have better capacities in this area than rural ones (please see *Chart 1*).



**Chart 1: Average Scores (National, Urban, Rural and Skopje Municipalities)**

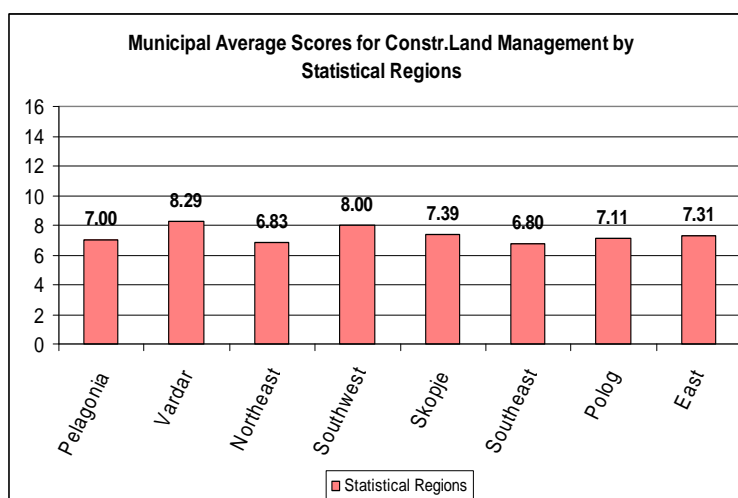
Skopje municipalities achieved the highest average score as compared to urban and rural municipalities.



As for the total score ranges (from 0 to 5, 6 to 10, 11 to 14 points, please see *Chart 2 to the left*), more than half of the assessed municipalities (50) are in the category from 6 to 10 points, whereas 13 municipalities scored between 11 to 14 points. There are still municipalities (22) that scored from 0 to 5 points (Plasnica) to 5 points which is considered the lowest score category, i.e. these municipalities have the weakest capacity for urban planning and construction land management.

**Chart 2: Municipal Construction Land Capacity –Total Score Ranges**

If we compare the average scores of municipalities by 8 statistical regions (please see *Chart 3 on the right*), the highest average scores were achieved in Vardar (8.29 points) and Southwest Region (8.00 points) and the lowest in the Southeast Region (6.70 points).

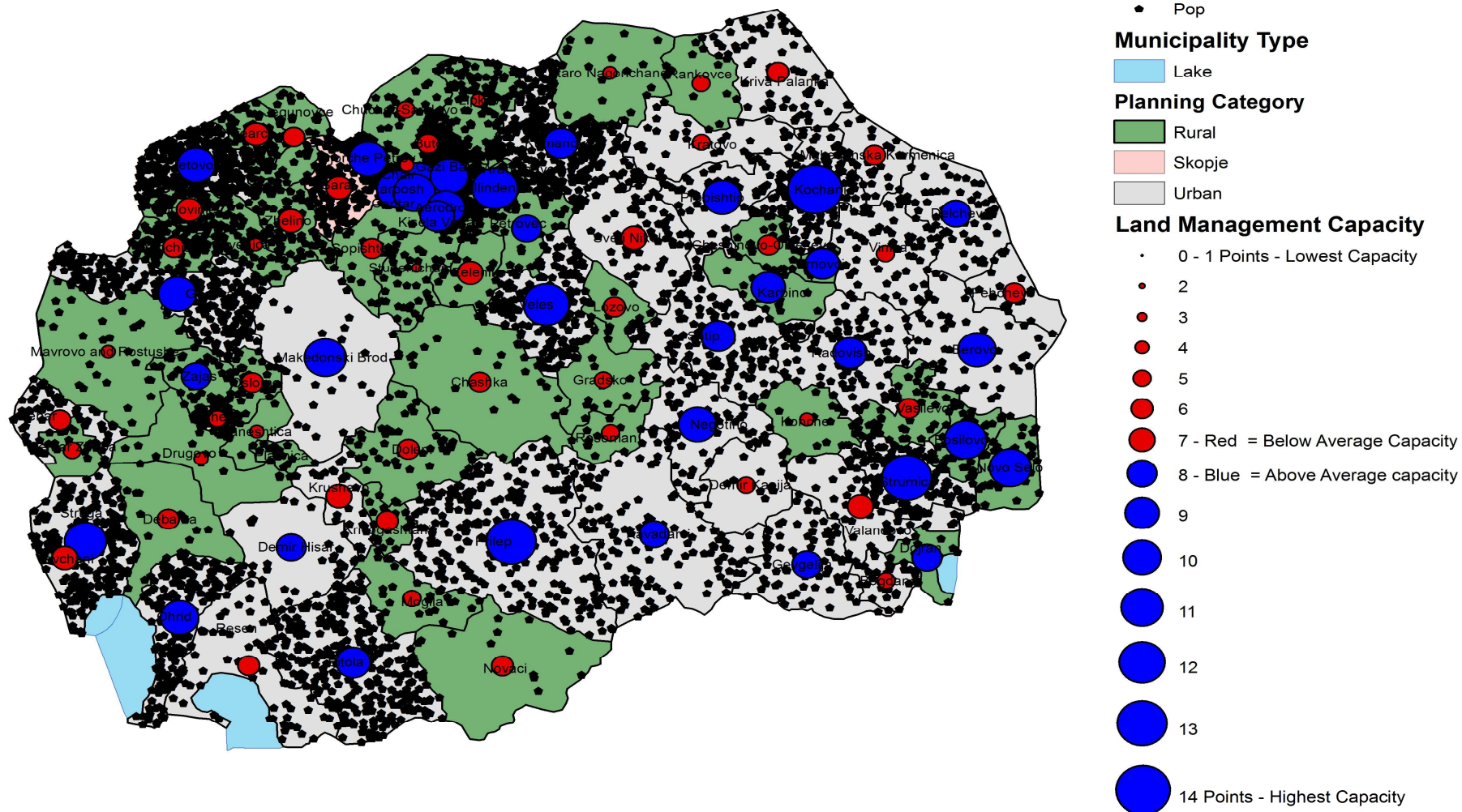


**Chart 3: Municipal Average Scores for Construction Land Management by Statistical Regions**

The map that follows is a graphic illustration of this assessment's data. It shows the geographical distribution of planning categories (rural, urban, Skopje municipalities) and observed land use management capacity based on the 16 benchmarks/indicators used in the assessment. Additionally, the map includes approximate population density (black dots) based on the most recent municipal population data. This graphic comparison highlights three key observations:

1. The highest observed capacity for municipal land management is positively correlated with urbanism and higher population density. This indicates that where land use development is highest, municipal capacity is also highest.
2. Correspondingly, the lowest observed capacity for municipal land management is positively correlated with rurality and lower population density. This indicates that the municipalities with the weakest capacity for successful land use management also have the lowest development potential.
3. There are outliers where these correlations are reversed, and potential development seems to far exceed municipal capacity, but these cases are much more limited than often cited anecdotally.

## Municipal Construction Land Management Capacity



## 2.2 SPECIFIC FINDINGS

This section analyzes the specific findings in terms of the detected situation in all of the assessed municipalities based on municipal staff replies as well as a comparison of the capacity for urban planning and construction land management by groups of urban, rural and Skopje municipalities.

The following tables include quantitative data grouped by type of benchmark/indicator assessed in the municipalities such as: 1) Basic human resources and urban planning documentation, 2) Coverage with urban planning documentation, digitization and reconciliation with cadastre and 3) Core data functions.

No.	Municipal Construction Land Management Capacity Benchmarks	Total # of Municip.	Rural Municip. (41)	Urban Municip. (33)	Skopje Municip. (10+1)
1	The municipality has a relevant GUP or urban planning documentation in place	80	36	33	11
2	The municipality has appointed staff to perform functions related to urban planning and construction land management (architect, geodetic officer, civil engineer, and similar)	79	35	33	11
3	The municipality organizes public hearing for getting citizen input on new zoning and land use plans	67	32	25	10
4	The municipality has defined procedures related to issuing relevant documents in the area of urban planning	65	26	29	10
5	The municipality has made available to the public (web site, CIC or similar) procedures related to issuing relevant documents in the area of urban planning	58	21	28	9

**Table 1: Basic human resources and urban planning documentation**

Table 1 above includes data on all those assessed basic functions that bigger majority of municipalities have in place, such as; necessary human resources responsible for urban planning and construction land management, relevant GUP or urban planning documentation, public hearings for getting citizen input on new zoning and land use plans, as well as defined procedures related to issuing relevant documents in the area of urban planning.

Table 2 that follows contains data related to preparation of urban planning documentation, digitalization of plans and reconciliation with cadastre. All these functions are important for more accurate and efficient urban planning and construction land management. Generally speaking, half and less than half of the assessed municipalities replied they have these functions in place.

No.	Municipal Construction Land Management Capacity Benchmarks	Total # of Municip.	Rural Municip. (41)	Urban Municip. (33)	Skopje Municip. (10+1)
1	The municipality has updated cadastre plans	46	18	21	7
2	The municipality provides at least a portion of its urban planning documentation for digitization	37	12	18	7

No.	Municipal Construction Land Management Capacity Benchmarks	Total # of Municip.	Rural Municip. (41)	Urban Municip. (33)	Skopje Municip. (10+1)
3	The municipality has above 60% of coverage of the municipal territory with urban planning documentation.	34	11	16	7
4	The municipality creates zoning and land use database	32	11	15	6
5	The municipality has up to 30% of coverage of the municipal territory with urban planning documentation.	31	24	6	1
	The municipality has established a separate unit for spatial and urban planning	30	7	14	9

**Table 2: Digitization and reconciliation with cadastre**

Finally, Table 3 includes information on numbers of municipalities with core data functions. As it can be seen, there are not many municipalities with this type of functions in place. It is primarily due to the fact that these are costly functions that also need specialized expertise to be implemented.

No.	Municipal Construction Land Management Capacity Benchmarks	Total # of Municip.	Rural Municip. (41)	Urban Municip. (33)	Skopje Municip. (10+1)
1	The municipality has up to 60% of coverage of the municipal territory with urban planning documentation.	17	4	11	2
2	The municipality creates a core GIS database	15	2	10	3
3	The municipality creates GIS database related to zoning and land use	12	1	8	3
4	The municipality launches contemporary zoning and land use plans on Internet	12	2	5	5
5	The municipality has done an inventory of state owned construction land	11	3	6	2

**Table 3: Core data functions**

### 2.2.1 The municipality has appointed staff to perform functions related to urban planning and construction land management

Almost all assessed municipalities (79) have appointed staff to perform functions related to urban planning and construction land management. This number primarily depends of the size of the municipality and the size of the municipal administration. In general, urban municipalities have more employees working on the implementation of this function than rural ones.

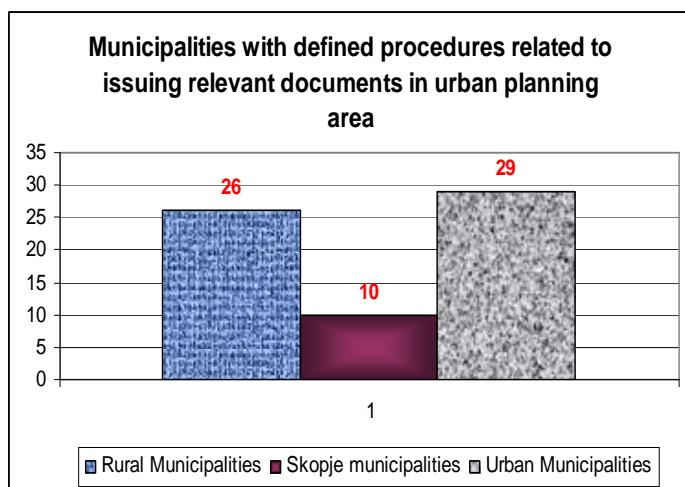
Thirty-five (35) rural municipalities replied they have appointed staff members whereas only 6 municipalities (Arachinovo, Oslomej, Plasnica, Rosoman, Studenichani and Vraneshtica) said that they have no appointed staff members for the performance of this function.

All the other municipalities (35 rural, all 33 urban and 11 Skopje municipalities) have either at least 3 appointed staff members (mainly an architect, civil engineer, and lawyer) or more within their departments.

### 2.2.2 The municipality has established a separate unit for spatial and urban planning

A total of 30 municipalities (7 rural, 14 urban and 9 Skopje municipalities) reported having a separate unit for spatial and urban planning. This question refers to a separate unit within the existing sector or urban planning department that mainly deals with planning function. This unit will be especially important for the design and implementation of the municipal strategy for local economic development.

### 2.2.3 The municipality has defined procedures related to issuing relevant documents in the area of urban planning



Majority of the assessed municipalities (65) have defined procedures related to issuing relevant documents in the area of urban planning. Twenty-six (26) of those are rural, 29 urban and 10 Skopje municipalities (*Chart 4*).

Again, it seems that in bigger, urban municipalities, there is more frequent citizens' demand for this type of information than in rural municipalities.

**Chart 4: Municipalities with defined procedures related to issuing relevant documents in urban planning area**

### 2.2.4 The municipality has made available to the public (web site, CIC or similar) procedures related to issuing relevant documents in the area of urban planning

When asked this question, more than two thirds (58) of all Macedonian municipalities make the procedures related to issuing relevant documents in the area of urban planning available to the public in different ways (CIC, one-stop shop, web site, bulletin board and similar). Still, there are 27 municipalities that make no efforts to do so but rather provide this information only if asked by an interested party.



### 2.2.5 The municipality has a relevant GUP or urban planning documentation in place<sup>4</sup>

Almost all municipalities in Macedonia have a relevant General Urban Plan (GUP) or urban planning documentation in place (80). The exceptions are 5 rural municipalities: Brvenica, Chashka, Chucher Sandevo, Plasnica and Vasilevo, which responded that they have no urban planning documentation in place.

### 2.2.6 The municipality has up to 30%, 60% or above 60% of coverage of the municipal territory with urban planning documentation

As for the coverage of municipal territory with urban planning documentation, the biggest number of municipalities (34) has above 60% of their territory covered with necessary urban planning documentation (please see *Chart 5 below*), whereas 16 are urban municipalities, 11 rural and 7 Skopje municipalities. Thirty-one (31) municipalities responded they have up to 30% of their territory covered with urban planning documentation (24 rural, 1 Skopje and 6 urban municipalities), whereas the smallest group of municipalities (17), in the sense of this question, have up to 60% of territory covered with DUP or urban planning documentation. The only municipalities that responded negatively to this question are Arachinovo and Plasnica. The City of Skopje does not have Detailed Urban Plans (DUPs).

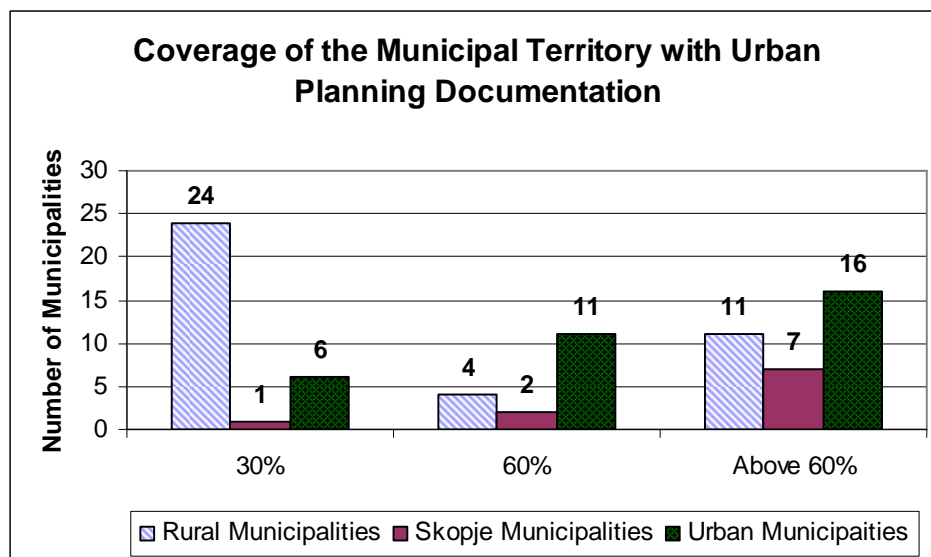


Chart 5: Coverage of Municipal Territory with Urban Planning Documentation

### 2.2.7 The municipality provides at least a portion of its urban planning documentation for digitization

This is one of the aspects of this function that not many municipalities have the capacity to do in-house and if outsourced it can be expensive. The assessment findings also show this. Thirty-seven (37) municipalities (12 rural, 18 urban and 7 Skopje municipalities) have given at least a portion of their urban planning documentation for digitization.

<sup>4</sup> Rural municipalities have no GUP but urban planning documentation.



### 2.2.8 The municipality creates zoning and land use database

Although majority of municipalities do not create zoning and land use database (some of them responded that this is included in the GUP), there are 32 municipalities which said they do it and most of them are urban municipalities (15), whereas 11 rural and 6 Skopje municipalities also replied that they keep zoning and land use databases. This shows that not many municipalities do proper planning, but rather create ad hoc solutions.

### 2.2.9 The municipality has updated cadastre plans

Updating cadastre plans is another costly activity for municipalities. These are a precondition to the design and creation of the detailed urban plans which precede any activity related to the construction land management. According to the municipal responses, a bit more than a half of the municipalities (46) have updated cadastre plans. The others either said they have no funds to do this or that they plan to do it. In addition to 21 urban municipalities, 18 rural municipalities and 7 Skopje municipalities said they have updated their cadastre plans.

### 2.2.10 The municipality creates a core GIS database and GIS database related to zoning and land use

GIS is relatively new with local governments in Macedonia. Therefore, there are not many municipalities that are using it, expectedly, mainly urban municipalities do. Thus, 15 municipalities (2 rural, 10 urban and 3 Skopje municipalities) responded they create a core GIS database. As for creating GIS database related to zoning and land use, 12 municipalities replied they do out of which 1 is rural, 8 urban and 3 Skopje municipalities.

### 2.2.11 The municipality organizes public hearing for getting citizen input on new zoning and land use plans

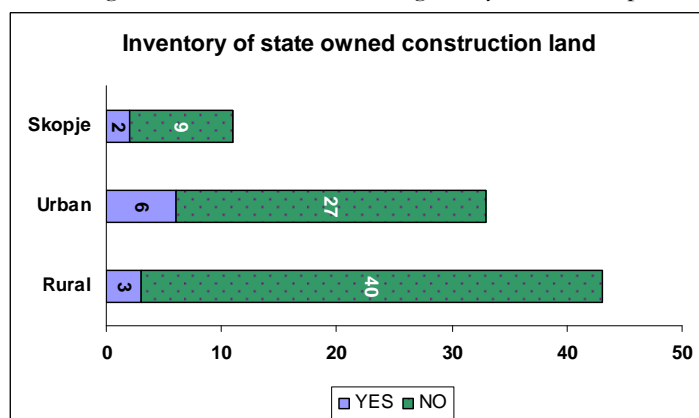
Though municipalities are obliged by law to organize public hearings for getting citizen input on new zoning and land use plans there are still municipalities that replied they do not do that. On the other hand, 67 municipalities (32 rural, 25 urban and 10 Skopje municipalities) said they organize this type of public hearings.

### 2.2.12 The municipality launches contemporary zoning and land use plans on Internet

Only 12 municipalities (2 rural, 5 urban and 5 Skopje municipalities) publish their zoning and land use plans on Internet thus making it available to the interested parties even outside of the municipality.

### 2.2.13 The municipality has done an inventory of state owned construction land

According to this assessment's findings, very few municipalities (please see *Chart 6*) have done inventories of state owned construction land – 11 (3 rural, 6 urban and 2 Skopje municipalities). This especially becomes important with the work on the Strategy for Decentralization of Construction Land Management Authority that is a joint effort of the Ministry of Transport and Communications and ZELS with MLGA facilitation.



**Chart 6: Inventory of state owned construction land**

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